



Piedmont
Natural Gas

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Clerk's Office
N.C. Utilities Commission

January 8, 2010

Ms. Renne Vance
Chief Clerk
North Carolina Utilities Commission
430 North Salisbury Street, Dobbs Building
Raleigh, NC 27603-5918

Re: Docket No. G-9, Sub 550B
Margin Decoupling Deferred Account Adjustment

Dear Ms. Vance:

In accordance with provisions set forth in Appendix C of the Company's Service Regulations as approved by the Commission in the above referenced docket, Piedmont Natural Gas Company files the enclosed original and 25 copies of the computation of the Margin Decoupling Deferred Account Adjustment by rate schedule for November 2009.

For billing cycles for the month of November 2009, the calculation results in an amount to be collected from residential customers of \$3,358,758 and an amount to be collected from commercial customers of \$1,613,166. The total Margin Decoupling Adjustment for November 2009 is \$4,971,923.

The average temperature for the November days included in these billing cycles was colder than normal. Actual usage for this period was 1,361,806 dekatherms less than the projected normal. This resulted in avoided commodity costs of approximately \$8,851,739 for residential and commercial customers.

Please let me know if there are any questions.

Sincerely,

Jenny Furr
Manager Regulatory Reporting

Enclosures

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Docket No. G-9, Sub 550B

Piedmont Natural Gas Company, Inc.
Margin Decoupling Deferred Account Activity - a/c # 25332
November 2009 Report
Debit (Credit)

<u>Description</u>	<u>Reference</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Medium General Service</u>	<u>Total</u>
Beginning Balance	Prior Mo Report	\$4,931,359	(\$1,104,424)	\$898,769	\$4,725,704
<u>Monthly Activity:</u>					
Margin Decoupling Adjustment	Page 2	\$3,358,758	\$1,404,150	\$209,016	4,971,923
(Increment) Decrement	Page 3	(691,183)	(156,739)	(71,986)	(919,908)
Ending Balance Before Interest		7,598,933	142,987	1,035,799	8,777,720
Accrued Interest	Page 4	38,165	(2,928)	5,892	41,129
Total Due From (To) Customers		7,637,098	\$140,059	\$1,041,691	\$8,818,849

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**Clerk's Office
N.C. Utilities Commission**

Piedmont Natural Gas Company, Inc.
Computation of Margin Decoupling Deferred Account Adjustment
Debit (Credit)
November 2009 Report

Line No.	Description	Residential Service	Small General Service	Medium General Service	Total
		Rate Schedule No. 101	Rate Schedule No. 102	Rate Schedule No. 152	
1	Normal Degree Days /1 <i>Page 2A</i>	296.7	296.7	296.7	
2	Base Load /1 (th/month)	12.0381	126.3458	5980.4393	
3	Heat Sensitivity Factor /1 (th/HDD)	0.1468	0.5849	9.4451	
4	Usage/HDD/Customer (th)	55.5937	299.8856	8,782.8005	
RATE CASE					
5	No. of Customers (Actual)	590,865	64,065	463	
6	Total Normalized Usage (th)	32,848,347.9159	19,212,172.8860	4,066,436.6176	56,126,957
7	R Factor /1 (\$/th)	\$0.39805	\$0.31142	\$0.31142	
8	Normalized Margin (\$)	\$13,075,285	\$5,983,055	\$1,266,370	\$20,324,710
ACTUAL					
9	No. of Customers (Actual)	590,865	64,065	463	
10	Actual Usage (th)	24,410,319	14,703,312	3,395,266	42,508,897
11	R Factor /1 (\$/th)	\$0.39805	\$0.31142	\$0.31142	
12	R Factor Margin Revenues (\$)	\$9,716,527	\$4,578,905	\$1,057,354	\$15,352,787
13	Margin Decoupling Adj	\$3,358,758	\$1,404,150	\$209,016	\$4,971,923
					Total Owed To Company (Customer)

Note: /1 - Per Docket No. G-9, Sub 550, Stipulation - Exhibit D

**Piedmont Natural Gas Company, Inc.
Heating Degree Days for Margin Decoupling**

	Rate Case Normal HDD	Actual HDD 2009-10
Nov	296.7	293.6
Dec	529.1	
Jan	730.2	
Feb	754.7	
Mar	491.3	
Apr	300.0	
May	108.1	
Jun	18.5	
Jul	0.7	
Aug	0.1	
Sep	2.8	
Oct	84.5	
	3,316.7	293.6

Piedmont Natural Gas Company, Inc.
Rate Elements For Residential, SGS and MGS Rate Classes
November 2009 Report

Description		Residential Service	Small General Service	Medium General Service
		Rate Schedule No. 101	Rate Schedule No. 102	Rate Schedule No. 152
Facilities Charge	Winter	\$10.00	\$22.00	\$75.00
	Summer	\$10.00	\$22.00	\$75.00
Rates (\$/th)				
1st Block	Winter	\$1.22639	\$1.11169	\$1.11711
2nd Block	Winter			\$1.10160
1st Block	Summer	\$1.16794	\$1.07394	\$1.02068
2nd Block	Summer			\$0.98889
BCGC (\$/th)		\$0.65000	\$0.65000	\$0.65000
LUAF (\$/th)		\$0.01235	\$0.01235	\$0.01235
Commodity Cost Increment (\$/th)	Winter	\$0.05230	\$0.05230	\$0.05230
	Summer	\$0.05230	\$0.05230	\$0.05230
Fixed Gas Costs (\$/th)				
1st Block	Winter	\$0.10499	\$0.08957	\$0.06988
2nd Block	Winter			\$0.05437
1st Block	Summer	\$0.04654	\$0.05182	\$0.07001
2nd Block	Summer			\$0.03822
R Factors (\$/th)				
1st Block	Winter	\$0.39805	\$0.31142	\$0.31142
2nd Block	Winter			\$0.31142
1st Block	Summer	\$0.39805	\$0.31142	\$0.21486
2nd Block	Summer			\$0.21486
Margin Decoupling Temporaries		\$0.00870	-\$0.00395	\$0.02116

Piedmont Natural Gas Company, Inc.
Computation of Refunds and (Collections) Through Temporaries
November 2009 Report
Debit (Credit)

<u>Item</u>	<u>Reference</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Medium General Service</u>
Usage by Rate Class - therms 1	Page 5	12,636,931	7,991,690	1,778,653
Rate decrement (increment)/therm	Per NCUC	<u>(\$0.04659)</u>	<u>(\$0.02293)</u>	<u>(\$0.02124)</u>
Refunds (Collections)		(\$588,755)	(\$183,249)	(\$37,779)
Usage by Rate Class - therms2	Page 5	11,773,388	6,711,622	1,616,613
Rate decrement (increment)/therm	Per NCUC	<u>(\$0.00870)</u>	<u>\$0.00395</u>	<u>(\$0.02116)</u>
Refunds (Collections)		(\$102,428)	\$26,511	(\$34,208)
Total Refunds (Collections)		<u>(\$691,183)</u>	<u>(\$156,739)</u>	<u>(\$71,986)</u>
Margin Decoupling Temporaries effective April 1, 2009 (per therm)		(\$0.04659)	(\$0.02293)	(\$0.02124)
Margin Decoupling Temporaries effective November 1, 2009 (per therm)		(\$0.00870)	\$0.00395	(\$0.02116)

1/ Customer bills rendered in November 2009 include usage that occurred in October 2009, which was accordingly billed at the rates effective during that period. The therms recorded on this line reflect the therms billed in November at the rates effective April 1, 2009.

2/ Customer bills rendered in November 2009 include usage that occurred in November 2009, which was accordingly billed at the rates effective during that period. The therms recorded on this line reflect the therms bills in November at the rates effective November 1, 2009.

Piedmont Natural Gas Company, Inc.
Accrued Interest
November 2009 Report
Debit (Credit)

<u>Item</u>	<u>Reference</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Medium General Service</u>
Beginning Balance	Page 1	\$4,931,359	(\$1,104,424)	\$898,769
Ending Balance Before Interest	Page 1	<u>\$7,598,933</u>	<u>\$142,987</u>	<u>\$1,035,799</u>
Average Balance Before Interest		6,265,146	(480,719)	967,284
Monthly Interest Accrual Rate	Per NCUC	<u>0.6092%</u>	<u>0.6092%</u>	<u>0.6092%</u>
Current Mo JE to Margin Decoupling Def Acct.		<u>\$38,165</u>	<u>(\$2,928)</u>	<u>\$5,892</u>

**Proration of CUT Adjustment
November 2009**

Nov billed Cycles	Cycle Dates		Cycle Length	# Nov Days Prorated	Nov Prorate Percent	Oct Prorate Percent	Residential			Small Commercial			Medium General Service		
							Rate Schedule 101 (1)			Rate Schedule 102 (2)			Rate Schedule 152 (3)		
							therms billed by cycle	Nov prorate therms billed	Oct prorate therms billed	therms billed by cycle	Nov prorate therms billed	Oct prorate therms billed	therms billed by cycle	Nov prorate therms billed	Oct prorate therms billed
1	9/30/09	10/30/09	30	0	0.00%	100.00%	900,357	0	900,357	487,097	0	487,097	139,746	0	139,746
2	10/1/09	11/2/09	32	2	6.25%	93.75%	910,274	56,892	853,382	834,034	52,127	781,907	142,121	8,883	133,238
3	10/2/09	11/3/09	32	3	9.38%	90.62%	821,377	77,045	744,332	586,347	54,999	531,348	145,628	13,660	131,968
4	10/5/09	11/4/09	30	4	13.33%	86.67%	775,648	103,394	672,254	935,412	124,690	810,722	235,979	31,456	204,523
5	10/6/09	11/5/09	30	5	16.67%	83.33%	998,048	166,375	831,673	595,734	99,309	496,425	87,169	11,197	55,972
6	10/7/09	11/6/09	30	6	20.00%	80.00%	1,127,088	225,418	901,670	436,575	87,315	349,260	178,000	35,600	142,400
7	10/8/09	11/9/09	32	9	28.13%	71.87%	1,228,239	345,504	882,735	641,624	180,489	461,135	108,742	30,589	78,153
8	10/9/09	11/10/09	32	10	31.25%	68.75%	865,764	270,551	595,213	332,190	103,809	228,381	63,490	19,841	43,649
9	10/12/09	11/11/09	30	11	36.67%	63.33%	1,680,896	616,385	1,064,511	1,088,263	399,066	689,197	289,816	106,276	183,540
10	10/13/09	11/12/09	30	12	40.00%	60.00%	1,211,915	484,766	727,149	390,099	156,040	234,059	79,353	31,741	47,612
11	10/14/09	11/13/09	30	13	43.33%	56.67%	1,399,098	606,229	792,869	1,100,100	476,673	623,427	250,201	108,412	141,789
12	10/15/09	11/16/09	32	16	50.00%	50.00%	1,365,153	682,577	682,577	1,209,807	604,904	604,904	187,472	93,736	93,736
13	10/19/09	11/17/09	29	17	58.62%	41.38%	1,193,162	699,432	493,730	974,101	571,018	403,083	300,674	176,255	124,419
14	10/20/09	11/18/09	29	18	62.07%	37.93%	1,065,924	661,619	404,305	817,591	507,479	310,112	202,170	125,487	76,683
15	10/21/09	11/19/09	29	19	65.52%	34.48%	1,559,356	1,021,690	537,666	572,386	375,027	197,359	99,858	65,427	34,431
16	10/22/09	11/20/09	29	20	68.97%	31.03%	1,859,178	1,282,275	576,903	1,100,294	758,873	341,421	151,614	104,568	47,046
17	10/23/09	11/23/09	31	23	74.19%	25.81%	1,369,116	1,015,747	353,369	676,881	502,178	174,703	132,653	98,415	34,238
18	10/26/09	11/24/09	29	24	82.76%	17.24%	1,729,376	1,431,232	298,144	691,417	572,217	119,200	132,481	109,641	22,840
19	10/27/09	11/25/09	29	25	86.21%	13.79%	2,349,883	2,025,834	324,049	939,573	810,006	129,567	161,318	139,072	22,246
20	10/28/09	11/27/09	30	27	90.00%	10.00%	352	317	35	599	539	60	0	0	0
21	10/29/09	11/30/09	32	30	93.75%	6.25%	115	108	7	293,188	274,864	18,324	326,781	306,357	20,424
21-M	10/31/09	11/30/09	30	30	100.00%	0.00%	0	0	0	0	0	0	0	0	0
							24,410,319	11,773,388	12,636,931	14,703,312	6,711,622	7,991,690	3,395,266	1,616,613	1,778,653

(1) Includes volumes from Rates 101 and 121.

(2) Includes volumes from Rates 102 and 132.

(3) Includes volumes from Rates 152 and 162.